

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO

IN RE:

RIO PIEDRAS EXPLOSION LITIGATION CIVIL 26-2443 CCC

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U.S. DISTRICT COURT
SAN JUAN, P.R.

ORDER

Having considered the Magistrate-Judge's Report and Recommendation on the issue of the Plaintiff Steering Committee's (PSC) attorneys' fees and costs filed on September 5, 2001 (**docket entry 3245**), the Clarification to the Report and Recommendation filed on September 27, 2001 (**docket entry 3292**), the Motion to Clarify the Magistrate-Judge's Report and Recommendation filed by attorney Jorge Ortiz-Brunet (**docket entry 3261**), the Objections to Magistrate-Judge's Report and Recommendation filed by attorney Francisco Bruno (**docket entry 3265**), the Objections to Magistrate-Judge's Report and Recommendation filed by plaintiff Marisela Laureano (**docket entry 3268**), the Objections to and Appeal From Magistrate-Judge's Report and Recommendation filed by attorneys Enrique Vélez-Rodríguez and Jorge L. Arroyo-Alejandro (**docket entry 3279**), the Motion Requesting Relief of Payment of Costs filed by the State Insurance Fund (**docket entry 3280**), the Motion to Join Objections to and Appeal From Magistrate-Judge's Report and Recommendation filed by Jorge L. Arroyo, Esq. and Enrique Vélez-Rodríguez, Esq. filed by attorneys Frank D. Inserni and Mark A. Bimbela (**docket entry 3291**), the Motion Joining Francisco G. Bruno's Objections to Magistrate-Judge's Report and Recommendations filed by attorney Renato Barrios (**docket entry 3293**), and the Motion Joining Objections To and Appeal From Magistrate-Judge's Report filed by attorney Godwin Aldarondo-Girald (**docket entry 3299**), the Court RULES as follows:

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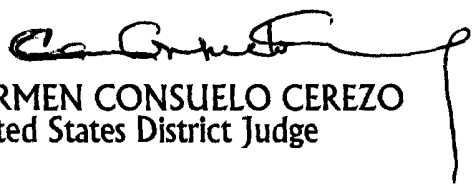
The Court APPROVES and ADOPTS the Magistrate-Judge's recommendation that the PSC's attorneys' fees be funded by one-third (33.33%) of the privately agreed contingent fee contracts between each attorney and his or her client.¹

The Court APPROVES and ADOPTS the Magistrate-Judge's recommendation that no percentage be assigned to the attorneys' fees of the State Insurance Fund. The same recommendation made as to the attorneys' fees of Integrand Assurance Company (Integrand) is REJECTED, however. The PSC shall receive one-third (1/3) of thirty-three percent (33%), i.e. eleven percent (11%), of the settlement or judgment awards received by Integrand.

The Court APPROVES and ADOPTS the Magistrate-Judge's recommendation that five percent (5%) of the total settlement award per case be set aside to cover the expenses incurred by the PSC in litigating this case, that an escrow account be established for said purposes, and that upon proper verification of all claims presented disbursements be made as soon as practicable. This fund will also serve to reimburse all individual lawyers, including PSC members, for the contributions the lawyers made at the beginning of this litigation. Any monies remaining after payment of all expenses shall be returned to the individually retained attorneys for plaintiffs (IRPA's), proportionate to the total of his/her contribution.

SO ORDERED.

At San Juan, Puerto Rico, on February 28, 2002.


CARMEN CONSUELO CEREZO
United States District Judge

¹All contingency fee contracts which exceed twenty-five per cent (25%) for each minor and incompetent plaintiff and thirty-three per cent (33%) for each adult plaintiff are automatically modified to twenty-five per cent (25%) and thirty-three per cent (33%), respectively, pursuant to 4 L.P.R.A. §742.